GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:849
ANSWERED ON:13.07.2004
FAKE BILLS OF SUBSIDY
Prasad Shri Hari Kewal

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has received complaints regarding fake bills of subsidy on fertilizers submitted by the fertilizer manufacturers;

(b) if so, the details thereof and the number of complaints received during each of the last three years;

(c) the action taken or proposed to be taken against erring officers;

(d) whether the Government has ascertained the amount claimed in such cases during the said period;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI K. RAHMAN KHAN)

a) Yes, Sir.

b) As per available record, during the past three years, no complaint regarding submission of claims without production/sales or in contravention/ violation of procedural formalities for claiming subsidy/concession was received in 2001-02. However four such complaints were received in 2002-03, one in 2003-04 and so far no such complaint has been received in 2004-05. The year- wise details of these complaints are given in the Annexure.

c) So far, the inquiries into the complaints as detailed in the Annexure referred to in (b) above have not found any involvement of government officials. d) to (f) In three of the five inquiries concluded so far the allegations of fake claims of subsidy/concession could not be substantiated. The extent of fake claim of subsidy/concession in respect of the remaining two complaints can be ascertained only after conclusion of respective inquiry.

ANNEXURE

Annexure referred to in reply to par (b) of Lok Sabha Unstarred Question No. 849 for 13.7.2004

Year	Manufacturer	Product	Nature of complaint	Outcome of inquiry
2001-2002	Nil	Nil	Nil	Nil
2002-2003	Gujarat State Fertilizer Corporation	DAP and Complex of DAP & complex fertilizers on paper without actually delivering the stocks had claimed concession.	That during February, 2002, the company by showing fertilizer sales of 40,000 MT in question had been duly certified by the Gujarat Government.	The allegation was not substantiated as the sales
	TEDCO Granite and fictitious SSP production in Books, etc.	SSP	False purchase of rock from RSMML was proved in the inquiry conducted through Technical Audit and Inspection Cell (TAC) set up under the	The allegations were not substantiated as rock purchase

				aegis of Projects and Development India Limited in pursuance of guidelines on Concession Scheme dated 17.5.2001.
Rama Phosphates Ltd.	SSP	The unit showed inflated production of SSP and discrepancies in its Annual Report figures.		The allegations were not substantiated by inquiry conducted through TAC.
Oswal Chemicals & Fertilizers Ltd.	DAP	The company claimed concession on inflated sales in U.P. during 2000-01 and 2001-02.		According to preliminary report of U.P Govt. some of the dealers to whom sales were made by the company had not obtained registration under Fertilizer Control Order on the date of sales, Hence, these sales as such could not qualify for claiming concession till registration formalitites were completed. Also, some of the dealers have allegedly sold in Districts other than those authorised in their State Registration. The matter is still under examination.
2003-2004 Madras Fertilizers Limited	Urea Complex	Intentionally claimed subsidy on sub-standard fertilizer		The matter is still under investigation.
2004-2005 up to 30.6.2004	Nil	Nil	Nil	Nil